



NEWS RELEASE
United States Department of Agriculture
NATIONAL AGRICULTURAL STATISTICS SERVICE
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NASS TO ASSESS FINANCIAL SITUATION OF U.S. FARMERS AND RANCHERS

Richmond, Virginia, January 20, 2006 – How are agricultural producers surviving when fuel and other input costs continue to rise? Are government program payments providing producers an adequate safety net when crops are damaged by dry weather or tropical storms? The United States Department of Agriculture's National Agricultural Statistics Service (NASS) will give Virginia agricultural producers the chance to answer these and other questions by participating in the upcoming Agricultural Resource Management Survey (ARMS).

The ARMS survey provides the leading economic indicators of state and national agriculture for producers, agribusinesses, and government. The results will show the impact of higher expenses, the shifting global markets, farmer production decisions and governmental policies on the agricultural economy.

"Reliable, accurate descriptions of the current economic health of Virginia's farms are crucial," said Kevin Barnes, Director, Virginia Agricultural Statistics, "especially when policymakers, farm organizations, analysts, lenders and others make decisions that affect growers. This will be the last chance to provide an annual economic snapshot before the 2007 Farm Bill is finalized."

During 2004, the USDA distributed to producers \$13.3 billion in farm program payments, including \$2.3 billion in conservation funding. Forecast for 2005 is \$21.4 billion in farm payments with the increase due primarily to more counter-cyclical payments and emergency program payments. Data from the ARMS survey is used to measure the benefits of direct, counter-cyclical, and ad hoc emergency payments as producers continue to look to the marketplace for economic reward.

Producers chosen to participate in the Agricultural Resource Management Survey will be visited by an interviewer during the February through March data-collection period.

Results will be published in a series of USDA reports on the current farm financial situation. *Farm Production Expenditures*, the first report with results from the survey, will be released in August 2006. For a copy of the finished report or to obtain other agricultural statistics, visit the National Agricultural Statistics Service website at www.nass.usda.gov or call (800) 727-9540.

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